



FY 2007 and FY 2008 Budget Update

**Mr William Campbell
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Assistant Secretary of the Army
(Financial Management and Comptroller)**



Agenda

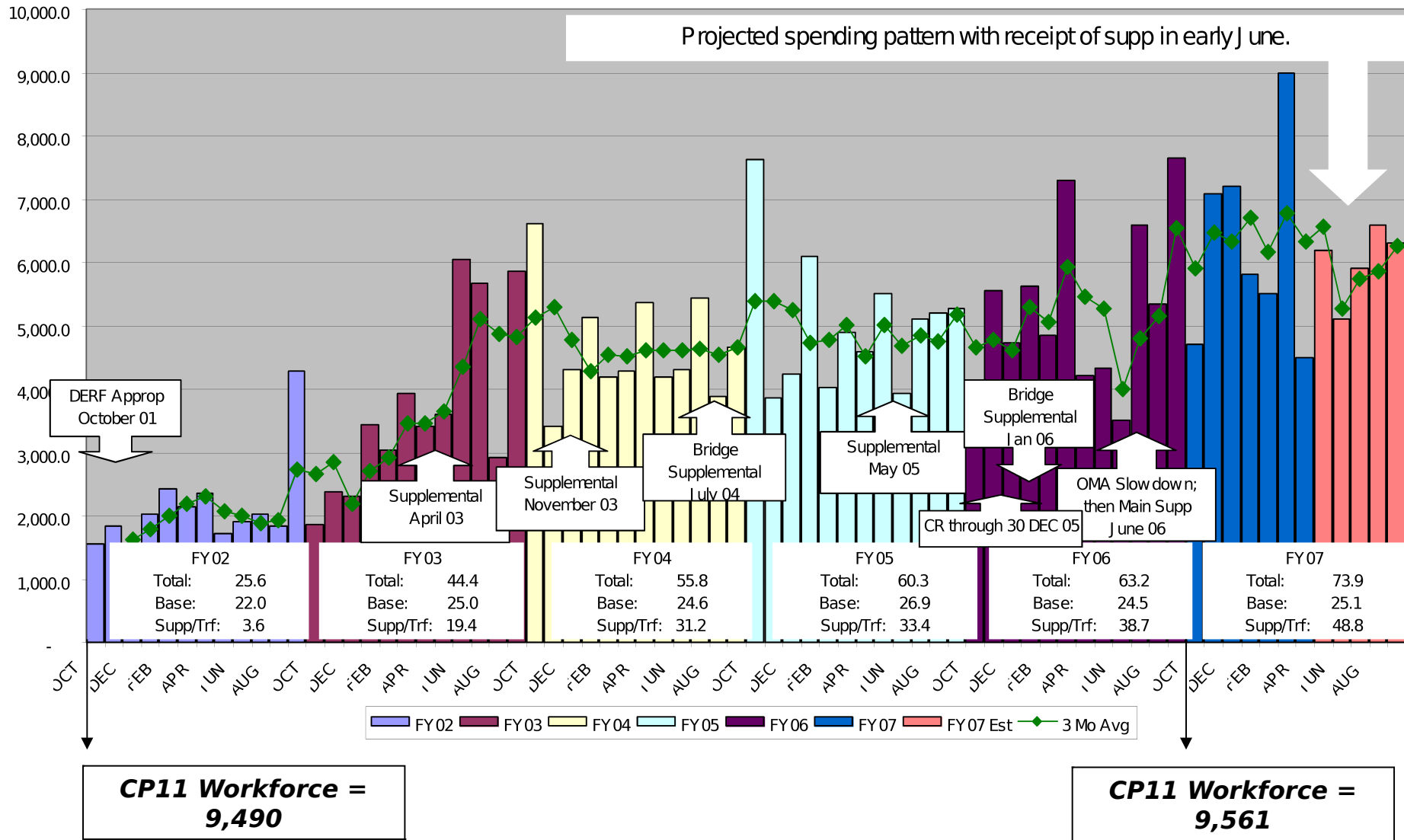
An Historical View of OMA

**FY07 Appropriations and Mid-Year
Review**

FY 08 Budget Requests



An Historical View of OMA



30 May 07



Army Budget Authority (\$B)

Appropriation	Appn FY07	PresBud Request FY08	FY09
Military Personnel	43.1	46.2	51.3
Operation and Maintenance	31.7	37.7	40.4
Procurement	15.4	23.8	26.2
RDT&E	11.0	10.6	9.8
Military Construction	2.7	4.6	5.7
Army Family Housing	1.3	1.2	1.5
Base Realignment and Closure	3.7	4.1	3.8
Chemical Demilitarization	1.3	1.5	1.4
Other		0.5	0.6
Totals	110.1	130.0	140.7

Notes: FY07 appropriation includes the PB07 position
for
accounts under continuing resolution thru 30
Sep 07:
BAH, Medicare HF, SRM, MILCON, BRAC, and



FY07 Base and GWOT Request (\$M)

	FY07 Appn	FY07 Bridge Title IX	FY07 Main Supplemental Request	FY07 GWOT Total Request	FY07 Projected Total
Military Personnel	\$43.1	\$4.7	\$9.1	\$13.8	\$56.9
Operation and Maintenance	\$31.7	\$29.0	\$20.6	\$49.6	\$81.3
Research, Develop, & Acq	\$26.4	\$10.1	\$16.0	\$26.1	\$52.5
Military Construction	\$4.0	\$0.0	\$1.3	\$1.3	\$5.3
BRAC	\$3.7				\$3.7
Other (Chem/Demil, AWCF)	\$1.3	\$0.0	\$0.7	\$0.7	\$2.0
TOTAL	\$110.1	\$43.8 ¹	\$47.7 ²	\$91.5 ²	\$201.6

***FY07 Supp Conference
Marks = \$48.0B***

Notes:

1. Includes \$43.8B already received thru Title IX
2. Includes FY07 Supplemental Amendment

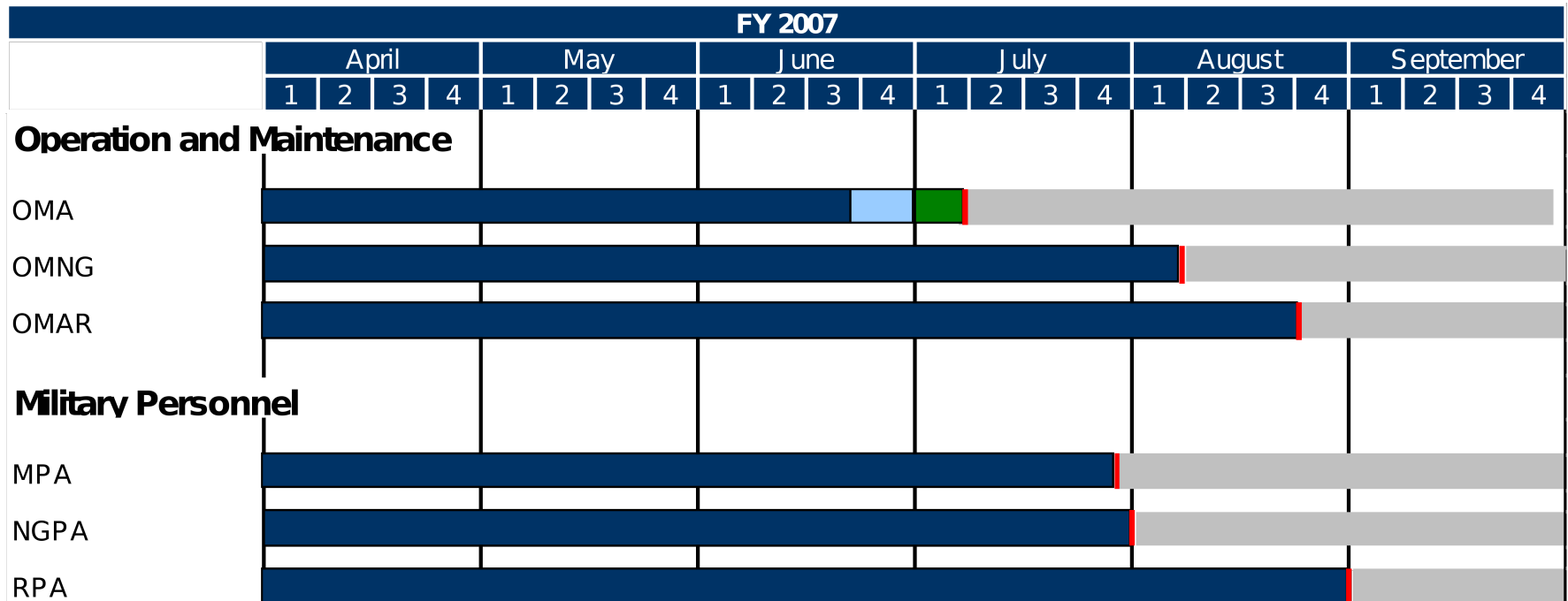
**FY 2007 figures exclude
JIEDDO, ISFF, and ASFF**

	FY07
ASFF	\$7.4B
ISFF	5.5B
JIEDDF	4.4B
Total	\$17.3B



Spend Plan with Restrictions and Reprogrammings

As of 24 May



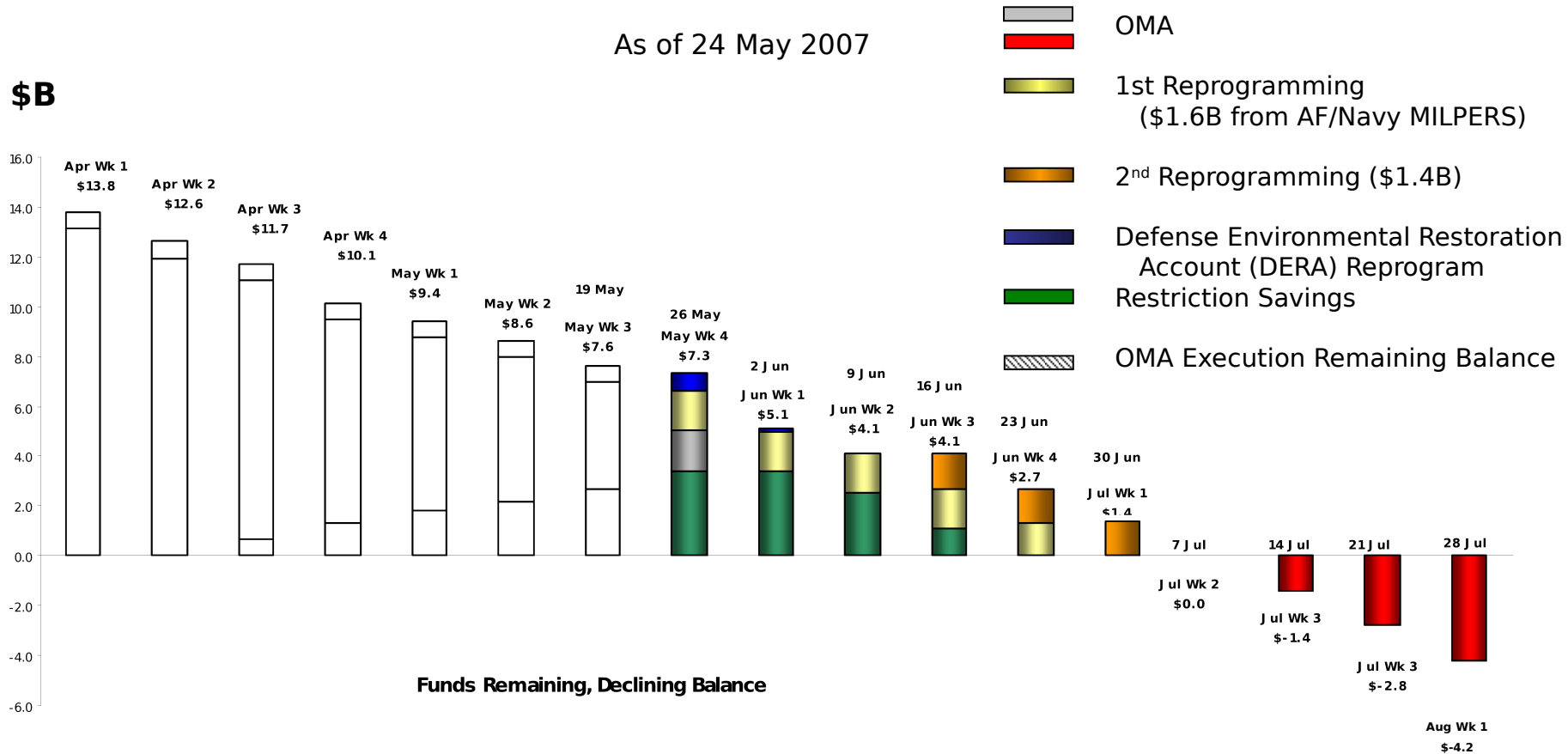
- With current funding
- \$1.6B reprogramming
- \$1.4B reprogramming



OMA Weekly Spend Plan

As of 24 May 2007

\$B



**Displays 1st reprogramming received last week of May.
2nd reprogramming received last week of June.**



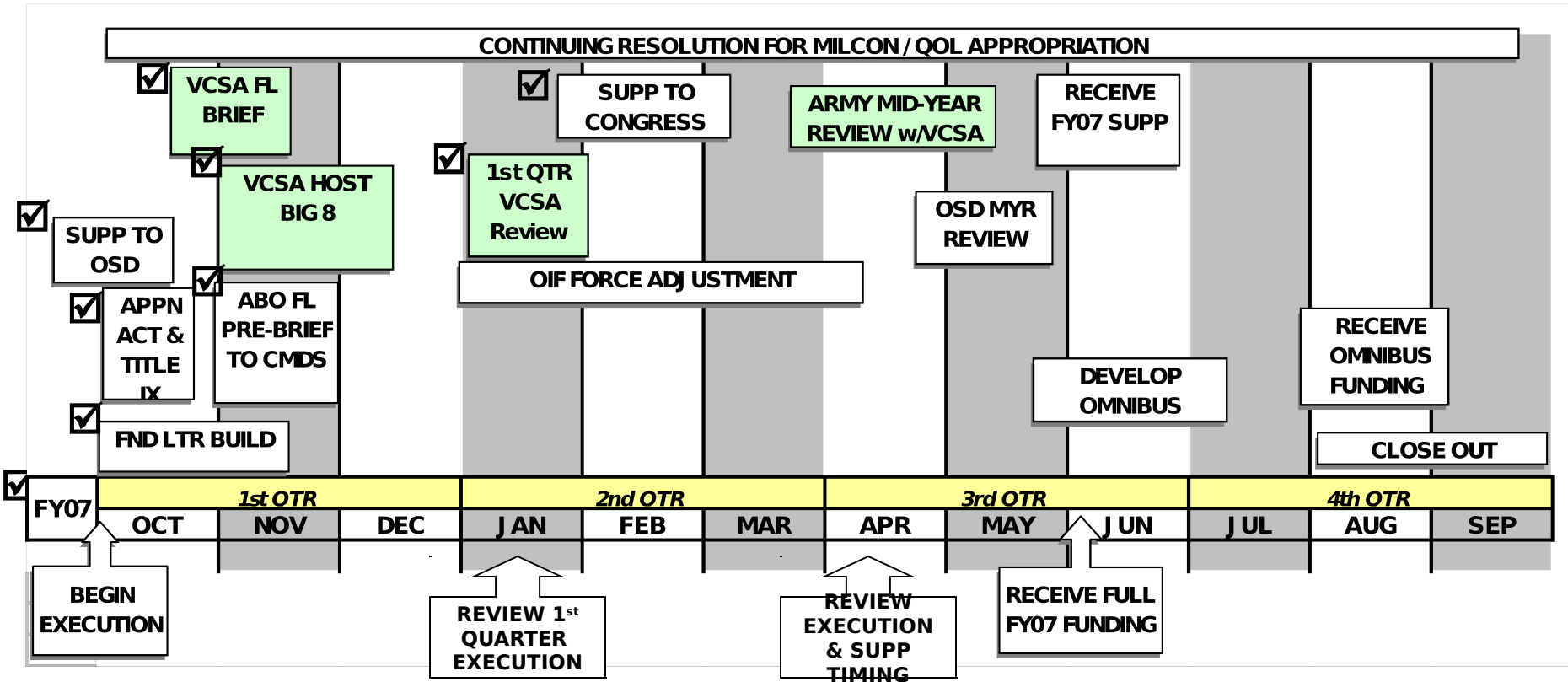
FY 07 Phased Plan to Defer Spending

15-Apr	22-Apr	6-May	13-May	20-May
Obtain Additional Resources				
		Receive 1st reprogramming of \$1.6B ✓	Prepare & Submit 2nd reprogramming ✓	
Slow and Defer Spending				
Restrain Supplies ✓	Stop shipment of goods; if necessary, use least costly mode ✓	Freeze civilian hiring from outside the Army ✓	Cancel non-critical orders; deobligate funds ↑	Stop new contracts and task orders ↑
Constrain Travel ✓	Obligate civilian payroll on a weekly basis ✓ for May		Teleconference with commands 21 May 07 reviewed these restrictions.	
Process severable contract vehicles to cover a minimum performance period, but NTE 30 June 2007 ✓	Process facility sustainment, modernization and logistic support contracts up to point of award ✓			Release non-critical support contractors and temporary civilian employees
Restrict Gov't Purchase Cards ✓	Defer repair of equipment not required for next deployers ✓			Review selected training, maintenance, & transportation actions
Release Green Top ✓	Request Cdr's/Staff assessment of training, maintenance, & transportation ✓			Decision Point: 2nd Reprogramming

Note: Family Programs and the Summer Hire Program are exempt from spending restrictions



FY07 Execution Timeline





FY08 Status

Military Personnel	46,193	13,216	59,409
Military Personnel, Army	31,624	12,504	44,128
Reserve Personnel, Army	3,735	235	3,970
National Guard Personnel, Army	5,959	477	6,436
Retiree Health Care	4,875	0	4,875
Operation and Maintenance	37,708	46,856	84,564
Operation and Maintenance, Army	28,925	46,231	75,156
Operation and Maintenance, Army Reserve	2,508	158	2,666
Operation and Maintenance, Army National Guard	5,840	466	6,306
Environmental Restoration Fund, Army	435	0	435
Research, Development, and Acquisition	34,343	21,259	55,601
Aircraft Procurement, Army	4,180	1,900	6,080
Missile Procurement, Army	1,645	493	2,138
Other Procurement, Army	12,647	13,631	26,278
Procurement of Ammunition, Army	2,191	313	2,504
Weapons and Tracked Combat Vehicles	3,090	4,780	7,870
Research, Development, Test, and Evaluation	10,590	142	10,731
Military Construction / Family Housing	5,725	739	6,464
Base Realignment and Closure	4,089	0	4,089
Chemical Demilitarization	1,456	0	1,456
Other	505	10,063	10,568
Totals	130,019	92,132	222,151

**FY 08
contains a
full year for
GWOT; not
limited to a
Bridge.**



Updating the FY 08 GWOT Request

- ❖ Estimates developed in Dec '06 and assumed a “steady – state” of operations

- ❖ New developments since then change requirements:
 - ◆ Continuation of the surge into FY08
 - ◆ Tour length increase from 12 to 15 months
 - ◆ Mobilization policy limiting RC to 12 months
 - ◆ MRAP

- ❖ Timing of any adjustment – more a political decision than a budget decision



Looking Forward

- ❖ FY08 Marks and Funding Letter
 - ◆ Hold OMA Base Program Increases
 - ◆ Impact of GWOT Request
 - ◆ Anticipate no Funding Letter tax for IMCOM
 - ◆ Appropriations or CR on 1 OCT?

- ❖ FY09 Development
 - ◆ Spread Grow the Army funds
 - ◆ Other changes minimal
 - ◆ Accommodate Secretary and Chief's Initiatives
 - ◆ Develop GWOT Request
 - ◆ BRAC

QUESTIONS?

